

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Friday, May 31, 1946, at 10:30 a.m.

PRESENT: Mr. Eccles, Chairman
Mr. Draper
Mr. Evans

Mr. Carpenter, Secretary
Mr. Morrill, Special Adviser
Mr. Thurston, Assistant to the Chairman

As stated in the minutes of the meeting on May 8, 1946, Mr. Vardaman was absent on official business.

The action stated with respect to each of the matters herein-after referred to was taken by the Board:

Telegrams to Messrs. Blair and Stewart, Secretaries of the Federal Reserve Banks of Cleveland and St. Louis, respectively, and Messrs. Dillard and Mangels, Vice Presidents of the Federal Reserve Banks of Chicago and San Francisco, respectively, stating that the Board approves the establishment without change by the Federal Reserve Bank of San Francisco on May 28, by the Federal Reserve Bank of St. Louis on May 29, by the Federal Reserve Bank of Cleveland on May 30, and by the Federal Reserve Bank of Chicago, today, of the rates of discount and purchase in their existing schedules.

Approved unanimously.

Memorandum dated May 29, 1946, from Mr. Thomas, Director of the Division of Research and Statistics, submitting the resignation of Mr. Leroy M. Piser, Chief of the Government Securities Section of the Division of Research and Statistics and recommending that it be accepted, effective at the close of business May 31, 1946.

Approved unanimously, effective May 31, 1946.

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Memorandum dated May 29, 1946, from Mr. Thomas, Director of the Division of Research and Statistics, submitting the resignation of Miss Mary Hedda Bohlin, a Research Assistant in that Division, and recommending that the resignation be accepted, effective at the close of business June 28, 1946, and that proper lump sum payment be made to her for any annual leave remaining to her credit at that time.

Approved unanimously, effective
June 28, 1946.

Memorandum dated May 29, 1946, from Mr. Leonard, Director of the Division of Personnel Administration, recommending that the salary of Mrs. Jane Gray Dodge, a stenographer in the office of Governor Draper, be increased from \$2,166 to \$2,298 per annum, effective at the beginning of the first pay roll period following approval by the Board.

Approved unanimously, effective
June 2, 1946.

Memorandum dated May 31, 1946, from Mr. Thomas, Director of the Division of Research and Statistics, recommending that Mrs. Marylou Arason, a stenographer in the Division of Administrative Services, be transferred to the Division of Research and Statistics, as Secretary to Mr. Knapp, and that her salary be increased to \$2,540 per annum, effective June 2, 1946.

Approved unanimously.

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Memorandum dated May 27, 1946, from Mr. Carpenter, recommending that the basic annual salary of each of the following employees in the Office of the Secretary be increased to the amount set opposite her name, effective at the beginning of the pay roll period following approval by the Board:

<u>Name</u>	<u>Title</u>	<u>Proposed Increase</u>	
		<u>From</u>	<u>To</u>
Cook, Helen E.	File Clerk	\$1,980	\$2,100
McGarvey, Margaret M.	File Clerk	1,860	1,968
Berry, Marjorie V.	File Clerk	2,040	2,166
Hatch, Cora L.	File Clerk	2,100	2,232
Yates, Aline L.	Index Clerk	2,232	2,364
Simpson, Hazel L.	File Clerk	2,298	2,430
Hunter, Beatrice	Supervisor	2,540	2,760
Krieger, D. Jeanne	General Assistant	3,420	3,530

The memorandum also recommended that the appointment of Mrs. Aline Yates, Index Clerk, be made permanent.

Approved unanimously, effective
June 2, 1946.

Memorandum dated May 24, 1946, from Mr. Thomas, Director of the Division of Research and Statistics, recommending that Mr. Duncan M. Holthausen be appointed as an Economist in that Division on a temporary indefinite basis with a salary at the rate of \$5,600 per annum, effective as of the date upon which he enters upon the performance of his duties after having passed the usual physical examination. The memorandum also stated that Mr. Holthausen would become a member of the Federal Reserve retirement system unless he still has funds in the Civil Service Retirement System from his previous employment in the Government.

Approved unanimously.

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Letter to Mr. Leland, Federal Reserve Agent at the Federal Reserve Bank of Chicago, reading as follows:

"In accordance with the request contained in Mr. Meyer's letter of May 27, 1946, the Board of Governors approves the payment of salary to Mr. August J. Pettke as Federal Reserve Agent's Representative, Detroit Branch, at the rate of \$4,450 per annum, effective June 1, 1946."

Approved unanimously.

Letter to Honorable Maple T. Harl, Chairman of the Federal Deposit Insurance Corporation, reading as follows:


"In accordance with the request contained in your letter of May 24, 1946, the Board of Governors of the Federal Reserve System hereby grants written consent, pursuant to the provisions of subsection (k)(2) of Section 12B of the Federal Reserve Act, for examiners for the Federal Deposit Insurance Corporation to make an examination of the 'Frankenmuth State Bank', Frankenmuth, Michigan, in connection with its application for continuance of insurance after withdrawal from membership in the Federal Reserve System.

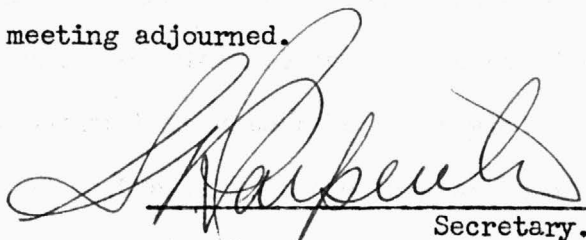
"There are no unfulfilled conditions nor incomplete corrective programs with respect to the member bank in connection with which the Board would suggest incorporation of conditions for continuing its status as an insured bank."

Approved unanimously.

Thereupon the meeting adjourned.

Approved:


Chairman.


Secretary.